

## Message Text

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PAGE 01 MANILA 15838 120651Z

21

ACTION TRSE-00

INFO OCT-01 EUR-12 EA-07 ISO-00 NEA-10 IO-10 H-02 L-03

PA-01 PRS-01 SP-02 AID-05 EB-07 NSC-05 CIEP-01 SS-15

STR-04 OMB-01 CEA-01 CIAE-00 COME-00 FRB-03 INR-07

NSAE-00 USIA-06 XMB-02 OPIC-03 LAB-04 SIL-01 /114 W

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P R 120522Z NOV 75

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 9342

INFO AMEMBASSY THE HAGUE

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USADB

FOR NAC AGENCIES

TREASURY FOR MUNK/ZINMAN

E.O. 11652: ADS, DECLAS 2/12/76

TAGS: EAID, EFIN

SUBJECT: PROPOSED DUTCH GUILDER BORROWING 1975-1981

REF: MANILA 15367

1. ADB DOC. R112-75 ON ABOVE SUBJECT BEING POUCHED  
NOVEMBER 12 AND WILL BE CONSIDERED BY BOARD OF DIRECTORS  
NOVEMBER 27.

2. BANK PROPOSES TO BORROW FIFTY MILLION DUTCH GUILDERS  
(APPROXIMATELY \$18.3 MILLION EQUIVALENT) FROM AMSTERDAM-  
ROTTERDAM BANK N.V. FOR SIX YEAR PERIOD, WITH PRINCIPLE  
AMOUNT BEING MADE AVAILABLE TO ADB ON DECEMBER 1, 1975.  
PRINCIPAL AMOUNT WILL FALL DUE FOR REPAYMENT, IN LUMP  
SUM, ON NOVEMBER 30, 1981. AMOUNT OUTSTANDING WILL  
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PAGE 02 MANILA 15838 120651Z

CARRY 8.875 PERCENT INTEREST RATE, PAYABLE SEMI-ANNUALLY

ON MAY 31 AND NOVEMBER 30 OF EACH YEAR, WITH FIRST PAYMENT DUE ON MAY 31, 1976. HANDLING COMMISSION EQUIVALENT TO 1/8TH OF ONE PERCENT OF PRINCIPAL AMOUNT WILL BE PAYABLE IN LUMP SUM WHEN PRINCIPAL AMOUNT IS TRANSFERRED TO ADB. NET INTEREST COST TO BANK ESTIMATED AT 8.903 PERCENT.

3. SPECIFIC WORDING OF LOAN AGREEMENT FOR PROPOSED BORROWING IS STILL BEING SETTLED BUT IS EXPECTED TO BE CIRCULATED TO BOARD WITHIN FEW DAYS.

4. SUBJECT TO APPROPRIATE APPROVALS BEING OBTAINED FROM GOVERNMENT OF NETHERLANDS UNDER ARTICLE 21 OF BANK CHARTER, PRESIDENT RECOMMENDS BOARD APPROVAL OF PROPOSED BORROWING.

5. BOARD IS ALSO REQUESTED TO RESTORE TO \$30 MILLION THE LIMIT WITHIN WHICH PRESIDENT IS AUTHORIZED TO INITIATE AND SUBSTANTIALLY CONCLUDE ARRANGEMENTS FOR BORROWINGS, ON CONDITION THAT AVERAGE COST OF SUCH BORROWINGS IS KEPT SUBSTANTIALLY CLOSE TO BANK'S LENDING RATE (AS SET FORTH IN ADB DOC. M7-74 OF FEBRUARY 12, 1974).

6. NAC GUIDANCE IS REQUESTED.  
SULLIVAN

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LOAN AGREEMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 12 NOV 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** buchandr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975MANILA15838  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
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**Office:** ACTION TRSE  
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**Reference:** 75 MANILA 15367  
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**Review Authority:** buchandr  
**Review Comment:** n/a  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PROPOSED DUTCH GUILDER BORROWING 1975-1981  
**TAGS:** EAID, EFIN, RP, NL, ADB  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006